

REMARKS

Claims 1-24 are pending. An Office Action mailed February 18, 2009 rejected Claims 1-24 under 35 U.S.C. §§ 101, 103. By way of this Amendment, Applicants hereby amend Claims 1, 3, 8, 9, 11, 13, 14, and 16 and cancels Claims 4-6, 12 and 17-24. Applicants hereby respectfully request reconsideration of the application.

REJECTION OF CLAIMS UNDER 35 U.S.C. § 101

The Office Action states that Claims 1-24 are directed to non-statutory subject matter. The Office Action states that the instant claims fail to meet this test. The claims fail to transform a particular article into a state or thing. The claims are not tied to a machine or apparatus.

With regard to system Claims 9-16, Applicants submit that these claims are system claims which are a machine or apparatus. Applicants hereby amend independent method Claim 1 in order to indicate that the process steps are performed by a server that performs a manipulation of data in order to transform an output to a user for improving the user's experience. Therefore, Applicant submits that amended independent Claims 1 and 9 are now directed to statutory subject matter.

REJECTION OF CLAIMS UNDER 35 U.S.C. § 103

The Office Action rejected Claims 1-24 as being unpatentable over *Walker et al.* (hereinafter *Walker*) in view of *Swartz et al.* (hereinafter *Swartz*) and *Hull et al.* (hereinafter *Hull*).

Applicants hereby amend independent Claims 1 and 9 to include the subject matter of canceled Claims 4 and 12 respectively. Therefore, Applicants will address the rejection related to Claims 4 and 12. The Office Action states that *Walker* further discloses calculating a discount for the second items based on the price of the second item.

Applicants submit that *Walker* allows only the upsale of the rounded-up amount (change due) (col. 6, lines 30-44). In other words, the upsale item can only be an item that falls within the



round-up amount. Applicants submit that there was no discount applied to the upsale item and only upsale items that are at or below the round-up amount can be displayed and presented to the customer. Therefore, Applicants submit *Walker* fails to teach or suggest determining a discount for the purchase of any other item included in an associated database, based on the received indication to purchase of a first item and a magnitude of price of the other item. Therefore, Applicants submit that amended independent Claim 1 is allowable over the cited references. Because Claim 9 includes similar subject matter as that in amended Claim 1, Claim 9 is allowable for the same reason that makes Claim 1 allowable.

Because Claims 2, 3, 7-8, 10, 11, and 13-16 depend from allowable independent claims, they are allowable for the same reasons that make their corresponding independent claims allowable.

CONCLUSION

Applicants respectfully submit that all of the claims of the pending application are now in condition for allowance over the cited references. Accordingly, Applicants respectfully request withdrawal of the rejections.

Respectfully submitted,

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